

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

DIGITAL MEDIA SOLUTIONS, LLC,) CASE NO. 1:19-cv-145
)
Plaintiff,) JUDGE DAN AARON POLSTER
)
v.) MAGISTRATE JUDGE
) THOMAS M. PARKER
SOUTH UNIVERSITY OF OHIO,)
LLC, *et. al.*,)
)
Defendants.)

FIRST SUPPLEMENT TO FIRST RECEIVER REPORT
LITIGATION REPORT

Mark E. Dottore, the duly appointed and acting receiver for the Receivership Entities (the “**Receiver**”), hereby files this First Supplement to his first Report (the “**First Report**”)¹ to provide information on non-landlord pending litigation. As and for this Report, the Receiver says as follows:

The Receiver is currently managing 27 active or threatened pieces of litigation that do not involve landlord claims. A list of the cases is attached hereto as Exhibit A. The list is as complete as current knowledge will allow, and will be supplemented if other litigation is discovered. The Receiver’s ability to gather information about the pending litigation has been hampered by the pre-

¹ Capitalized terms used but not defined in this motion shall have the meanings given to them in the Initial Receiver Order as modified by the Clarifying Order (collectively, the “**Receiver Order**”).

Receivership resignation of the in-house attorney who was overseeing all of the matters.

The general approach to managing the outstanding litigation has been first to ensure that the insurance carriers have been put on notice of any claims and then to seek to stay active litigation. It is the Receiver's intention to enforce any stays until there is a claims procedure in place. At that time, litigants can seek to have their claims liquidated and prioritized.

In addition to the proceedings listed in Exhibit A, the Receiver also makes note of a Consent Judgment, entered into on November 16, 2015, between the Commonwealth of Kentucky, Ex. Rel. Jack Conway, Attorney General, and Defendants Education Management Corporation, Argosy University of California, LLC, South University, LLC, Brown Mackie Education II LLC, The Art Institutes International II LLC, Stautzenberger College Education Corporation, American Education Centers, Inc., and The Art Institute of Pittsburgh LLC, including, except as otherwise provided therein, all of their respective subsidiaries, affiliates, successors and assigns. The Defendants are still bound under the provisions of the Consent Judgment, and the Receiver has been in contact with Jenner & Block LLP regarding the fulfillment of any obligations under the Consent Judgment.

Date: March 6, 2019

WHITMER & EHRMAN LLC

/s/ Mary K. Whitmer

Mary K. Whitmer (0018213)
James W. Ehrman (0011006)
2344 Canal Rd., Suite 401
Cleveland, OH 44114
Telephone: (216) 771-5056
Facsimile: (216) 771-2450
Email: mkw@weadvocate.net
Attorney for the Receiver

CERTIFICATE OF SERVICE

In accordance with Section 1.4 of the Electronic Filing and Procedures Manual of the Northern District of Ohio and Federal Rule of Civil Procedure 5(b)(2)(E), a copy of the foregoing has been served through the Court's filing system on all counsel of record on March 6, 2019.

/s/ Mary K. Whitmer

Mary K. Whitmer (0018213)